



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

WORKFORCE OBSERVATIONS FOR MILWAUKEE/WOW COUNTIES

MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

MARCH 2005

AREA UNEMPLOYMENT RATES REMAIN LOWER ANNUALLY

Milwaukee County's unemployment rate in February was 6.3 percent. This rate was an increase from January's rate by five-tenths of a percentage point, which is not uncommon for January leading into February to show such an increase. The county's labor force at this time has approximately 1,700 more employed residents coupled with 3,100 fewer unemployed resulting

in an unemployment rate that is six-tenths of a point lower than in February 2004.

The February unemployment rate in **Washington County** was 5.2 percent rising five-tenths of a point, monthly. The county's unemployment rate was 5.8 percent in February 2005. This is Washington's lowest February unemployment

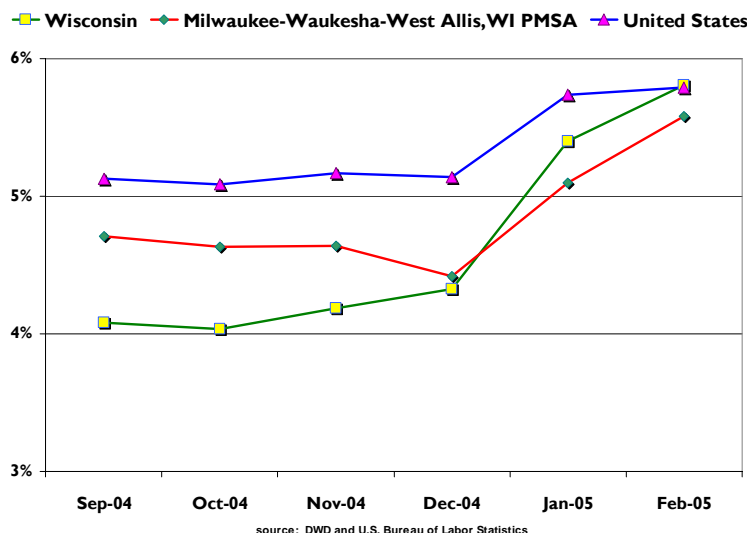
rate since February 2001.

Ozaukee County's unemployment rate was 4.2 percent in February, which was a monthly increase of four-tenths of a percentage point. Ozaukee had the state's second lowest unemployment rate, as per usual, just higher than Dane County's 3.6 percent in February. At this time, Ozaukee County's labor force has about 180 more employed as well as 180 fewer unemployed residents.

Waukesha County's unemployment rate was 4.5 percent in February, up five-tenths of a percentage point from January. Annually, the county's labor force has close to 800 more employed residents and just over 1,300 fewer unemployed resulting in an unemployment rate that is six-tenths of a percentage point lower than in February 2004.

February's unemployment rate for the **Milwaukee-Waukesha-West Allis MSA** was 5.6 percent. Like its constituent counties, its

Six-Month Unemployment Rate Watch



Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: February 2005

	Wisconsin			Milwaukee-Waukesha-WV. Allis MSA			Milwaukee County		
	Feb-05	Jan-05	Feb-04	Feb-05	Jan-05	Feb-04	Feb-05	Jan-05	Feb-04
Labor force	3,047,455	3,047,352	3,060,359	801,441	801,373	803,553	467,458	467,494	468,907
Employed	2,870,495	2,882,827	2,872,368	756,721	760,502	753,804	438,140	440,329	436,451
Unemployed	176,960	164,525	187,991	44,720	40,871	49,749	29,318	27,165	32,456
% Unemployed	5.8%	5.4%	6.1%	5.6%	5.1%	6.2%	6.3%	5.8%	6.9%
	Washington County			Ozaukee County			Waukesha County		
	Feb-05	Jan-05	Feb-04	Feb-05	Jan-05	Feb-04	Feb-05	Jan-05	Feb-04
Labor force	71,734	71,714	71,873	47,990	48,054	47,995	214,260	214,111	214,778
Employed	67,998	68,337	67,735	45,992	46,222	45,815	204,592	205,614	203,803
Unemployed	3,736	3,377	4,138	1,998	1,832	2,180	9,668	8,497	10,975
% Unemployed	5.2%	4.7%	5.8%	4.2%	3.8%	4.5%	4.5%	4.0%	5.1%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: February 2005

Place of Work Employment in 1,000's	Wisconsin			Milw'kee-Wauk-W. Allis MSA		
	Feb. 2005	Change since Jan. 2005	Change since Feb. 2004	Feb. 2005	Change since Jan. 2005	Change since Feb. 2004
All Industries	2,765.4	15.7	38.1	826.1	1.4	8.2
Construction/Natural Resources	116.3	1.5	5.5	30.7	0.3	1.1
Manufacturing	497.9	1.6	5.3	135.4	1.0	2.0
Retail Trade	307.9	-6.9	0.6	81.4	-0.9	0.4
Wholesale Trade	113.7	-0.1	1.9	39.3	-0.2	0.6
Transport/Warehouse/Utilities	104.1	-0.6	0.7	29.7	-0.1	-0.4
Financial Activities	156.8	0.2	0.3	55.9	0.0	-1.3
Education and Health Services	383.3	2.8	12.0	134.0	1.4	4.0
Leisure and Hospitality	233.5	-0.8	4.1	61.6	-0.7	-0.3
Info./Prof./Bus.and Other Services	425.6	3.1	1.7	164.8	-1.5	3.7
Information	50.2	-0.4	0.4	18.5	0.0	0.0
Professional and Business Services	241.6	2.3	0.6	105.0	-1.4	3.4
Other Services	133.8	1.2	0.7	41.3	-0.1	0.3
Fed/State/Local Government	426.3	14.9	6.0	93.3	2.1	-1.6

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

rate is higher than January's mark of 5.1 percent. Milwaukee County accounts for approximately 58 percent of the metro area labor force so it is no surprise to see the metro area numbers reflect the activity of Milwaukee County. It is common for February's unemployment rate to rise over January's rate. This is the metro area's lowest unemployment rate for the month of February since a rate of 3.6 percent was measured in February 2001.

Annually, the metro unemployment rate followed the lead of its constituent counties with an unemployment rate that is lower than that of February 2004. The MSA labor force has over 2,900 more employed and over 5,000 fewer unemployed compared to last February. Its unemployment rate is six-tenths of a percentage point lower, annually.

According to nonfarm wage and salary employment survey, the total number of jobs in the **Milwaukee-Waukesha-West Allis MSA** was 826,100 total jobs in February. This total equaled a net overall gain 1,400 jobs over the month. This rise in the number of jobs is a bit smaller than average in historic terms, but compared to flat monthly

growth between these months earlier in the decade, this is a return to seasonal expectation. Though most of the monthly growth was rooted in education and health services and government employment, the anchor of this metro's increase was a monthly gain of 1,000 jobs in manufacturing employment. This gain from January to February was the first of its kind since a 400-job gain was recorded in 2000. The construction sector gained 300 jobs in February, which was the first positive stride that this sector has made between January and February since 1999.

Noteworthy sectors decreasing in employment, monthly, were professional and business services (-1,400 jobs) and retail trade (-900 jobs). The majority of the professional and business services sector employment loss was likely exclusive to employment agency contracted personnel. In all likelihood, this monthly decline was short-lived reflecting a brief lull as companies were coming off of the holidays and did not need additional workers for brief period. The employment in this industry will most likely rebound in March and post larger gains over the succeeding few months as well.

Annually, the metro area jobs tally increased by 8,200 jobs overall. The majority of industry sectors have gained employment. The most significant job gain was in the education and health services sector growing over three percent (+4,000 jobs). Professional and business service and manufacturing employment gained 3,400 jobs and 2,000 jobs, respectively. Construction employment has 1,100 more jobs than one year ago.

Sectors showing the more significant employment declines were total government employment (-1,600 jobs) and financial activities (-1,300 jobs). This sector's employment has reduced a bit compared to its peak estimated levels in 2002 and 2003.

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